

FEB 13 2017

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CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA,

V.

CARL FORCE, and
SHAUN W. BRIDGES,

Defendants.

No.: CR 15-0319 RS

NOTICE OF POTENTIALLY RELATED CASES

Court: Honorable Richard Seeborg

UNITED STATES OF AMERICA,

v.

BTC-E, and
ALEXANDER VINNIK,

Defendants.

No.: CR 16-0227 SI

Court: Honorable Susan Illston

UNDER SEAL

7.11.50

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2 The United States of America, pursuant to Local Criminal Rule 8-1, hereby notifies the Court
3 that the more recent criminal case, No. CR-16-0227 SI, could be deemed by the Court to be related to
4 CR-15-0319 RS, under the Local Rule.

5 The more recent case against BTC-E and Alexander Vinnik, No. CR-16-0227 SI, involves
6 money laundering through use of the digital currency Bitcoin. BTC-E is suspected to currently be
7 the most prolific launderer of digital currency in the world. The case also involves operating BTC-E
8 as an unlicensed money business by exchanging Bitcoin and other digital currency without proper
9 registration and compliance with FinCEN. Finally, the case involves laundering of funds by Vinnik
10 that were taken by fraud from another Bitcoin exchange, Mt. Gox. The defendants in case No. CR-
11 15-0319 RS, Carl Force and Shaun Bridges both utilized Bitcoin and specifically used BTC-E to
12 launder funds that they acquired through fraud and theft. In the BTC-E and Vinnik case, the
13 transactions by Force and Bridges are referred to as specified unlawful activity and specific acts of
14 money laundering utilizing the BTC-E exchange. Furthermore, the case against Bridges involved his
15 use of Mt. Gox in order to launder some of his stolen funds, as well as his seizure of Bitcoin from
16 Mt. Gox as a Secret Service Special Agent. Based upon these facts, the more recent case could be
17 deemed to be related within the meaning of Local Rule 8-1(b)(1) as they involve some of the same
18 alleged factual events and occurrences.

19 Additionally, the government believes that the case against BTC-E and Vinnik may involve
20 additional costs or expenditure of resources if it remains with the Honorable Judge Illston, since Judge
21 Seeborg has already been familiarized with the various entities, individuals, currencies, and concepts
22 involved in the new case.
23

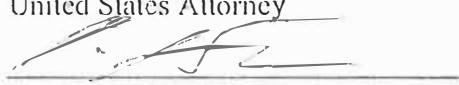
24 Finally, the government currently expects to bring additional charges against defendant Bridges
25 that further involve use of Bitcoin and BTC-E. Those charges are expected to be related to Judge
26 Seeborg and involve many of the same concepts and entities as well.
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28

1 Given the foregoing, the government hereby gives notice that these cases could, and likely should,
 2 be related to the earlier Judge, Judge Seeborg. Given the nature of the case against BTC-E and Vinnik
 3 (both defendants were indicted, but the superseding indictment is under seal and neither BTC-E nor
 4 Vinnik are aware that they are the subject of federal charges), the government hereby moves for the
 5 Court to file this matter UNDER SEAL until further order of the Court.
 6

7 DATED: February 9, 2017

Respectfully submitted,

8 BRIAN J. STRETCH
 9 United States Attorney

10 
 11 WILLIAM FRENTZEN
 12 Assistant United States Attorney

13 IT IS HEREBY ORDERED, that due to the nature of the matters discussed within this Motion
 14 and that the case of United States v. BTC-E and Vinnik is currently maintained under seal, that this
 15 Motion and any resulting Order shall be filed and maintained UNDER SEAL, until further Order of the
 16 Court.

17
 18 SO ORDERED, this 13 day of February, 2017.

19 
 20 HON. RICHARD SEEBORG/SUSAN ILLSTON
 21 UNITED STATES DISTRICT JUDGE
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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

USA,

Plaintiff,

v.

CARL FORCE, and
SHAUN W. BRIDGES,

Defendant.

Case No.15-cr-00319-RS
16-cr-00227-SI

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that I am an employee in the Office of the Clerk, U.S. District Court, Northern District of California.

That on 2/13/2017, I SERVED a true and correct copy(ies) of the attached, by placing said copy(ies) in a postage paid envelope addressed to the person(s) hereinafter listed, by depositing said envelope in the U.S. Mail, or by placing said copy(ies) into an inter-office delivery receptacle located in the Clerk's office.

William Frentzen
U.S. Attorney's Office,
NDCA Gang Strike Force Unit
450 Golden Gate Avenue
San Francisco, CA 94102

Dated: 2/13/2017

Susan Y. Soong
Clerk, United States District Court

Corinne Lew

By: _____
Corinne Lew, Deputy Clerk to the
Honorable RICHARD SEEBORG

United States District Court
Northern District of California